Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. Prices of these drugs are regularly monitored and corrective measures taken where public interest is found to be adversely affected.

**Revamping of fertilizer units**

1979. SHRI TAPAN KUMAR SEN:
SHRI MOHAMMED AMIN:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact the GAIL has asked the Department of Fertilizers to sound out fertilizers companies along the routes of the gas major's newly envisaged pipeline from Jagdishpur to Haldia to sign up for supply gas;

(b) if so, whether the now closed factories of HFCL at Barauni, Durgapur and Haldia, FCI at Gorakhpur, Sindri and Duncan at Kanpur have been instructed to sign up for supply of gas; and

(c) if not, the reasons therefor and the future steps envisages for revamping of the plant?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) Government has recently granted authorization to GAIL for laying Jagdishpur-Haldia pipeline. In terms of the authorization issued, the pipeline must be commissioned within 36 months from the date of the start of the project, i.e. the date of publication in official gazette of notification under sub-section (1) of Section 3 of the Petroleum & Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962 pertaining-to land relating to the pipeline.

Further, the fertilizer companies willing to revive the closed units in this sector are already in discussion with GAIL for firm commitment/agreement for connectivity and gas availability. No agreement has been finalized yet.

**Gas price**

1980. SHRI SHAHID SIDDIQUI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is fact that RIL had invited bids from fertilizer companies to determine gas prices;

(b) if so, the names of fertilizer companies which participated in the bids;

(c) what are the indicative pricing benchmarks indicated by such companies; and

(d) the details of benckmark prices which are realistic for the fertilizer industry to be globally competitive?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Yes, Sir.

(b) The fertilizer companies which are participated in the bid are Rashtriya Chemicals and

Fertilizers Ltd., Chambal Fertilizers and Chemicals Ltd., Indian Farmers Fertilizer Cooperative Ltd., Nagarjuna Fertilizers and Chemicals Ltd., and Krishak Bharti Cooperative Ltd.

(c) RIL had quoted a formula for calculating the price of gas as SP=112.5*K+C+ER*(CP-25) 0.-15 where C is constant to be quoted by the bidder which must be a positive integers. All the companies have quoted C=l whereas NFCL quoted C=4.

(d) The benchmark price of gas for fertilizer sector depends on the international prices of fertilizer which are very volatile and depend upon demand supply scenario prevailing in the international market.

**Finalisation of tenders**

1981. SHRI TAPAN KUMAR SEN:
SHRI MOHAMMED AMIN:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that his Ministry had decided to complete finalization of tender and award of contract for revival of the closed fertilizer units of Durgapur (HFC) and Talcher (FCI) by RCF and Barauni (HFC) and Ramagundam (FCI) by NFL and Gorakhpur (FCI) by KRIBHCO on or before 31st January, 2008 so as to start construction work by February, 2008;

(b) if so, the details thereof; and

(c) if not the latest time schedule for the same?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) No Sir. However, pursuant to a decision taken on 12.04.2007, the Government has initiated the process of examination the feasibility of revival of the closed fertilizer units of HFC and FCI, (including Durgapur, Talcher, Barauni and Ramagundam) subject to the confirmed availability of gas. Specifically, Rashtriya Chemicals & Fertilizers (RCF) has shown interest in the Durgapur and Talcher Units; National Fertilizers Ltd. (NFL) has shown interest in Barauni and Ramagundam Units; and Krishak Bharati Cooperative Ltd. (KRIBHCO) has shown interest in the Gorakhpur Unit. The revival process of the closed units is in the stage of examination and preparation of techno-economic feasbility reports. Therefore, at this stage, it is not feasible to indicate a definite time schedule for finalization of tender or for commencement of construction work.

**Rise in prices of essential commodities**

1982. SHRI S.S. AHLUWALIA: Will the Minister of CONSUMER AFFAIRS, FOOD AND
PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government has been seized of the unabated rise in prices of foodgrains and virtually all commodities of common consumption, except sugar, during the last several months;

(b) the details of prices of essential commodities, both wholesale and averages of retail, since 2003-04, month-wise;

(c) the reasons for such persistent steep increase in the prices of essential commodities;

(d) the steps taken, if any, with a view to arresting the same;